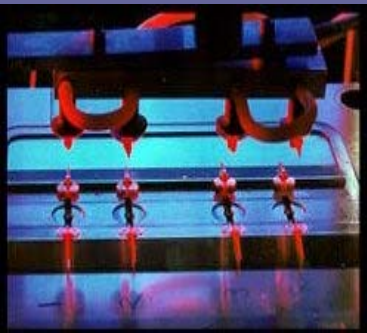


Information Technology and Electronics



Information Technology and Electronics Team

Jerry Giles

Electronics: Components
and Parts

Tom Kincaid

Semiconductors / Korea,
and Taiwan

Michael MacNeilly

Information Technology
and Telecommunications

Johnny Perez

Software Development

Anne Miller

Associate Project
Manager

Gregg Sourbeck

Team Assistant

Keith Boswell

Team Leader /
Nanotechnology

Target Industry Initiatives

- ✦ Electronic Components & Products (SIC 357, 367)
- ✦ Information Technology (SIC 737)
- ✦ Nanotechnology (SIC N/A)
- ✦ Semiconductors (SIC 362)
- ✦ Software Development (SIC 737)
- ✦ Telecommunications (SIC 481, 483, 489)
- ✦ Taiwan Market
- ✦ Korean Market

Electronics Components & Parts Trends

- ✦ Electronics recovery will mirror US manufacturing's
- ✦ Telecom dependent firms - relief expected 3Q 2003
- ✦ 2003 - positive equipment CapEx
- ✦ OEM's expected to continue outsourcing
- ✦ Limited new projects - "center of excellence" initiatives

Electronics Components & Parts Site Requirements

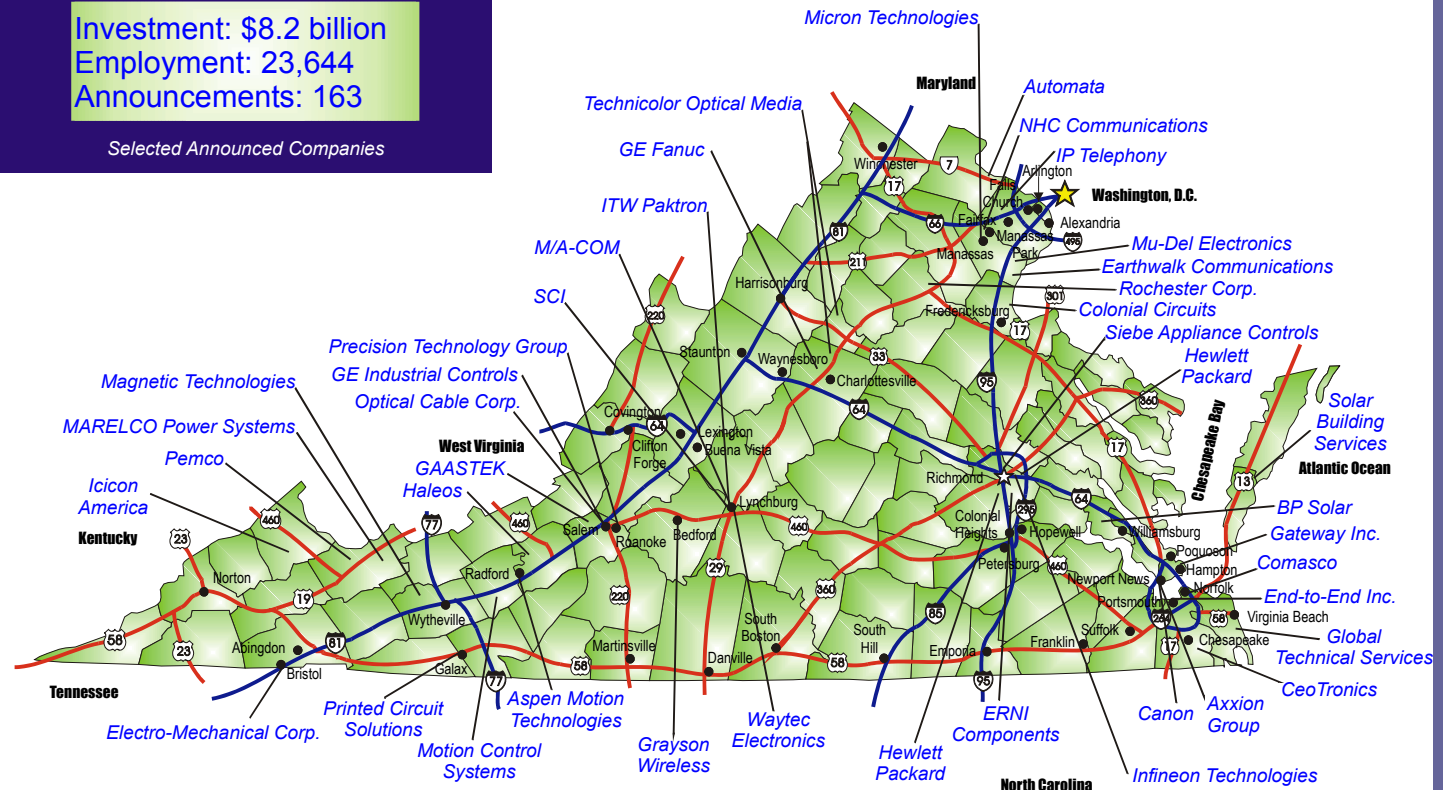
- ✦ Start up projects- 70K sq. ft plus
- ✦ Abundance and “Fit” of workforce- absolutely critical
- ✦ Technology engineers
- ✦ Alliance with academia with “Centers of Excellence”
- ✦ Power-abundant, affordable, redundant

Electronic Components & Parts Announcements

Electronics and Computer Equipment Announcements 1992 - 2001

Investment: \$8.2 billion
Employment: 23,644
Announcements: 163

Selected Announced Companies



Information Technology and Telecommunications Trends

- ✦ Consolidation, downsizing, and restructuring
- ✦ Investment money disappeared
- ✦ R&D slows - new technology deployment curtailed
- ✦ Homeland Security and Defense
- ✦ Survivors - stronger, smaller, more agile
- ✦ Bright Spot - Wireless software and devices

Information Technology and Telecommunications Site Requirements

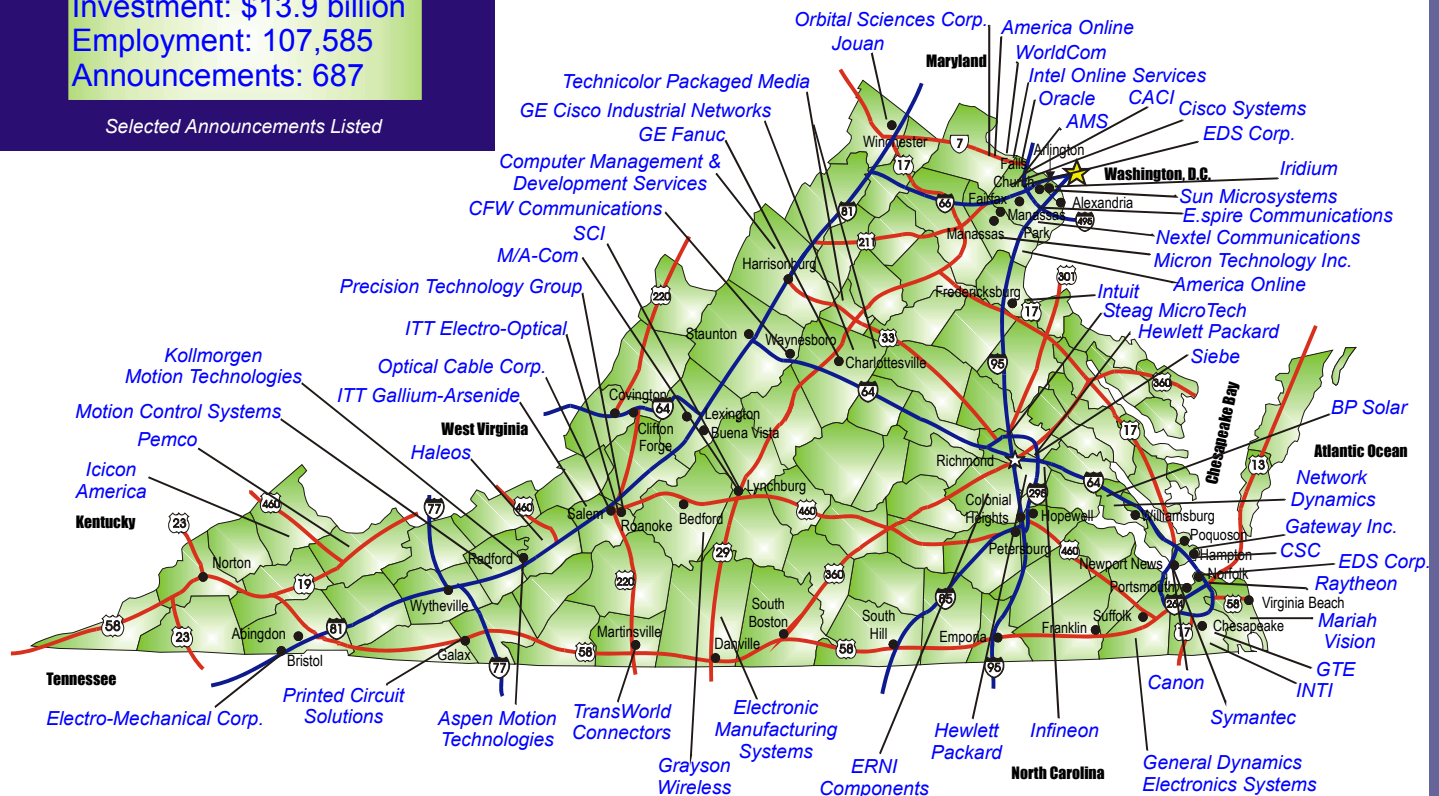
- ✦ Dual feed / Back up UPS
- ✦ Raised Floors / Drop ceiling for cabling
- ✦ Limited access / high security facility
- ✦ Multiple fiber, broadband, telephony providers

IT and Telecommunications Announcements

High-Technology and Advanced Electronics Announcements 1992 - 2001

Investment: \$13.9 billion
Employment: 107,585
Announcements: 687

Selected Announcements Listed



Semiconductor Trends

- ✦ 300mm wafers - not 200mm wafers
- ✦ M&A on the increase
- ✦ Fab vs. Foundries
- ✦ Rising Fab cost
- ✦ Foreign Governments and Incentives
- ✦ Divesting of semiconductor operations
- ✦ China

Semiconductor Site Requirements

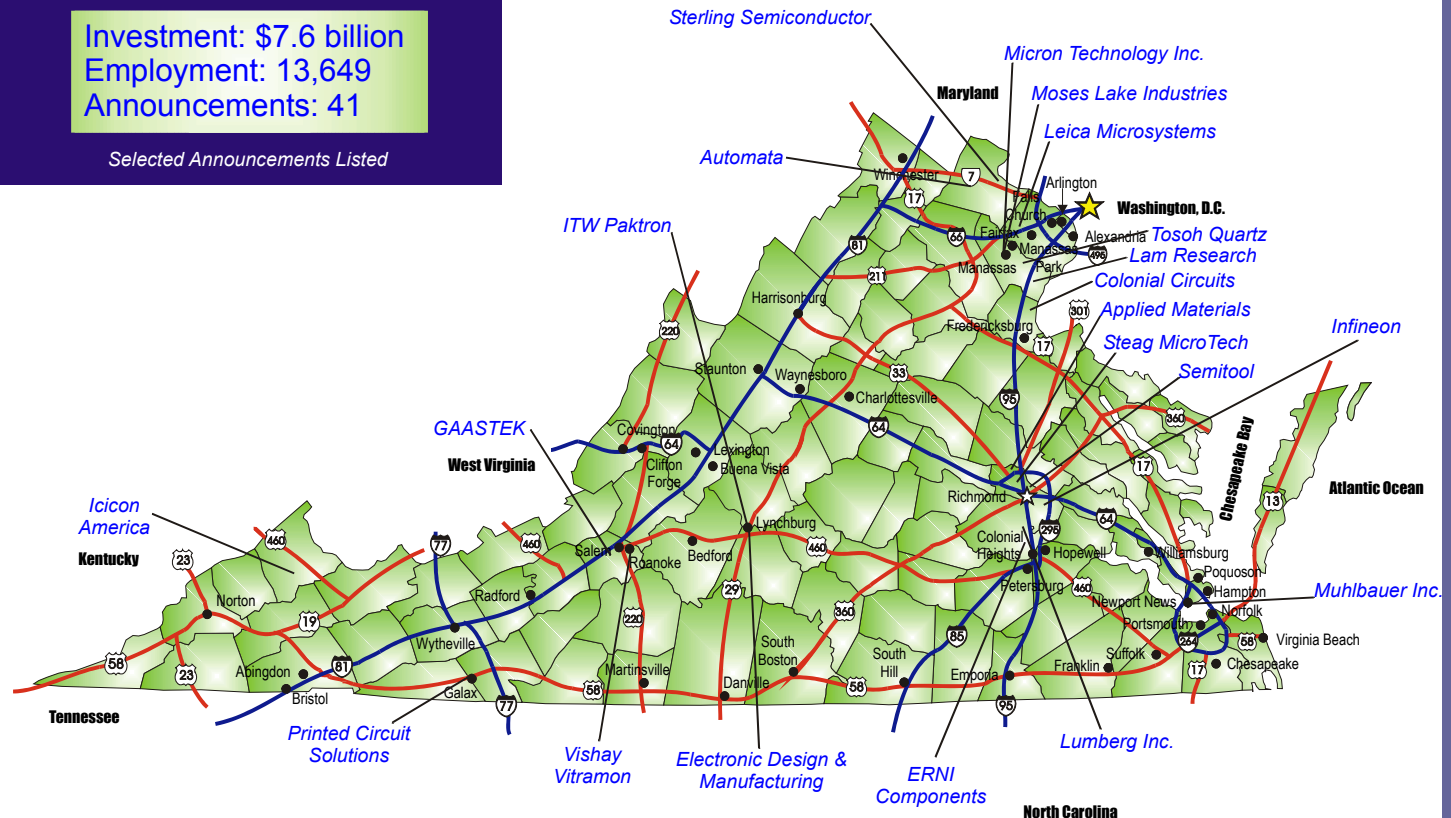
- ✦ 500 acres of land on average
- ✦ 3 million gallons of Water per day
- ✦ “Perfect Power” - Dual Feed / Redundant / Reliable / Substantial
- ✦ Vibration free environment
- ✦ Permitting Cooperation among FSLG's
- ✦ Fast Track Permitting

Semiconductor Announcements

Semiconductors, Related Products, and Suppliers 1992 - 2001

Investment: \$7.6 billion
Employment: 13,649
Announcements: 41

Selected Announcements Listed



Korea / Taiwan

Trends

- ✦ Korea - key gateway to China
 - ✦ Korean economy is solid
 - ✦ Korea is shedding unprofitable businesses and making infrastructure investments
-
- ✦ Taiwan - largest investor in China
 - ✦ Taiwan - WTO member in January 2002
 - ✦ Taiwan - will pass Korea in LCD production

Software Development Trends

- ✦ All Federal initiatives have software components
- ✦ Government sector employment increasing
- ✦ Existing companies will grow
- ✦ Prime hiring sub contractors
- ✦ Think small - pieces of the puzzle

Software Development Site Requirements

- ✦ Modest commercial office space
- ✦ Internet connectivity
- ✦ Redundant and / or backup UPS
- ✦ 24/7 Services

